

Stone Soup Learns

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2024



Stone Soup Learns

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Reference and administrative details

Members	A Hussain C Bradley C Manze Dr T Byrom
Governors and Trustees (Directors)	N Best (resigned 26 November 2024) Dr T Byrom, Chair R Elston R A Hardman (appointed 3 October 2024) K Henton, Executive Principal C Knee T Le Gallez (resigned 11 July 2024) B Mulholland (resigned 11 November 2024) R I Williams (resigned 3 October 2024)
Company Secretary	S L Murphy
Senior Management Team	K Henton, Executive Principal Y Henini, Principal K Smith, Assistant Principal O Shillito, Assistant Principal for Learning S Thompson, SENCO S Murphy, Head of Operations and Finance
Principal and Registered Office	14 High Pavement Nottingham NG1 1HN
Company Registration Number	07217174
Auditors	Marriott Gibbs Rees Wallis Limited Chartered Certified Accountants and Registered Auditors Unit 4 Broadfield Court Sheffield S8 0XF
Bankers	Lloyds Bank Plc 12-16 Lower Parliament Street Nottingham NG1 3DA
Solicitors	Browne Jacobson Mowbray House Castle Meadow Road Nottingham NG2 1BJ

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Trustees' report for the Year Ended 31 August 2024

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2024. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 07217174.

The trustees of Stone Soup Learns are also the directors of the charitable company for the purposes of company law. The charitable company operates as Stone Soup Academy.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

In accordance with normal practice the Academy has purchased Risk Protection Arrangement ('RPA') insurance to protect the Trustees and officers from claims arising from negligent acts, errors or omissions whilst on Academy business. The cover under the policy is £5 million and in the period under review no sums have been paid out.

Method of recruitment and appointment or election of Trustees

The Board of Trustees may comprise three member appointed Trustees, up to one LA Trustee, two Parent Trustees, the Executive Principal, up to one Community Trustee and up to three Co-opted Trustees. The Articles of Association require there to be a minimum of three Trustees.

As from 1 September 2020 the ESFA carries out suitability checks on newly appointed chairs of trustees on behalf of the Secretary of State for Education. These checks are intended to provide confidence in the suitability of chairs of academy trusts and support safeguarding requirements set out in:

- The Education (Independent School Standards) Regulations (2014)
- Keeping Children Safe in Education (2024)

The suitability check includes:

- an identity check
- confirmation of the right to work in the United Kingdom
- an enhanced Disclosure and Barring Service (DBS) check
- providing additional information if you have lived outside the United Kingdom for a period of 12 months or longer
- if there is anything which will appear on an enhanced DBS check, the Chair is mandated to advise the ESFA of this matter.

Further information on the new procedures for this appointment can be found at:

<https://www.gov.uk/government/publications/academy-trust-chair-suitability-checks/academy-trust-chairsuitability-checks-guidance-for-applicants>

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Trustees' report for the Year Ended 31 August 2024 (continued)

Parent Trustees are elected by the parents of current pupils of the Academy, subject to provisions in the Articles of Association. The Community Trustee may be appointed by the Board of Trustees provided that the person who is appointed as a Community Trustee is a person who lives or works in the community served by the Academy.

With regard to the appointment of Co-opted Trustees, the Board will give consideration to the skills mix of the Trustees in order to ensure that the Board of Trustees has the necessary skills to contribute fully to the Academy's development.

Policies and procedures adopted for the induction and training of Trustees

All Trustees undertake training as appropriate to their role. The Academy subscribes to Nottingham City Council Governor Services and Trustees take part in their training programme for new trustees.

Organisational structure

The Board of Trustees establishes an overall framework for the governance of the Academy and agrees membership of Committees and Statutory and other Panels. It receives reports and in particular policy documents from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. It also establishes the Terms of Reference and Procedures for its Committees. The Board of Trustees may also, from time to time, establish Working Groups to perform specific tasks over a limited timescale.

The following decisions are reserved for the Board of Trustees:

To determine any proposals for the alteration, closure or change of category of the Academy, to amend the constitution of the Board of Trustees, to appoint or remove the Chair and/or Vice Chair, to appoint the Secretary to the Trustees, to suspend Trustees, to determine the ethos of the school, to delegate specific responsibilities to any Trustee, Committee, the Executive Principal or other holder of an executive office, and to determine and review annually the terms of reference, constitution and membership of all committees, to publish an annual prospectus, to decide school session times and dates of school terms and holidays, to make arrangement for staff dismissal appeals, to set up panels for the selection of the Executive Principal, to develop, monitor and review the Academy Trust's Freedom of Information Act 2000 Publication Scheme, to approve the annual Development Plan and to monitor the annual Register of Interests.

There are currently four committees which are the full Board of Trustees, Finance, Audit and Risk Committee, Quality of Education, Personal Development, Behaviour, Welfare and Safeguarding Committee and Pay Committee.

The Executive Principal is the Accounting Officer as required by the Funding Agreement with the Department for Education. The responsibilities of the Accounting Officer are defined in the Governance Statement. The current Executive Principal is Kerrie Henton. Operationally the Academy is run by the Executive Principal and supported by the senior management team.

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Trustees' report for the Year Ended 31 August 2024 (continued)

Arrangements for setting pay and remuneration of key management personnel

Stone Soup Academy follows its own Pay Policy, which has been internally verified by the Trustees. The Pay Policy is endorsed annually by the Trustees, particularly with regards to the setting of key management personnel pay.

Following the conclusion of the annual performance management meetings, which includes the Senior Leadership Team and involves Trustees, pay recommendations are sent to the Finance, Audit and Risk Committee (FAR) and the Board of Trustees together with targets and evidence of targets met. These are currently monitored using standard tracker software. The Finance, Audit and Risk Committee (FAR) along with the trustees make decisions regarding the pay of the Executive Principal. The Executive Principal shared pay recommendations with the Trustees for all staff. The Finance, Audit and Risk Committee (FAR) makes a decision regarding the pay of the Executive Principal following consideration of the recommendations of the Trustees who form the Pay Committee for the Executive Principal's performance review.

The Academy Trustees do not receive any remuneration, save for those Trustees who are members of staff who only receive remuneration in respect of services they provide under their contracts of employment and not in respect of their role as Trustees.

Connected organisations, including related party relationships

The Academy was founded by the Stone Soup Project CIC and maintains a partnership with the organisation on activities that are of benefit to its pupils and staff. The learning company model was developed prior to building the Stone Soup Academy. By rooting all learning in the real world, and by teaching critical life skills, such as information literacy, emotional literacy, and functional work skills we help develop young people who are able to become productive agents of self change.

Stone Soup Academy works and collaborates with over 22 schools and academies across Nottingham who refer young people to us. We also work closely with Nottingham City and Nottingham County for the referral of young people.

Objectives and activities

Objects and aims

Stone Soup Academy is dedicated to providing high quality, accredited alternative educational provision.

We continue to drive up attainment and securing appropriate routes for every student. Our aim is to ensure that all students achieve aspirational qualifications which then support their progression into work, training and education post 16. In our most recent Ofsted Inspection on 5 March 2019 we maintained our 'Outstanding' rating.

Our track record in alternative education provision, and the high quality of the learning we provide, has meant that our learning programme is in great demand.

Many young people who are referred to our Academy suffer a variety of emotional and behavioural disorders, and find it difficult to integrate into large class sizes, and to follow a more traditional, academic method of learning, and attitude is the priority. We achieve progress by concentrating on engagement throughout the day, and by making lessons interesting and relevant to our students.

Our school is structured to nurture the social development of all the young people we work with, most of whom experience significant disadvantages which compromise their ability to learn. We facilitate young people's learning, removing the barriers to their learning and developing their ability to maintain good relationships with each other and with the members of staff, caring for and promoting the school and their community.

It is our intention that all young people attending our school will leave with the skills and motivation to become fully independent, contributing members of society. Our vision of 'Creating Unimagined Futures' underpins all that we do as an Academy.

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Trustees' report for the Year Ended 31 August 2024 (continued)

Objectives, strategies and activities

The Academy is underpinned by 3 key principles:

High expectations – Young people excluded from school generally have low expectations for themselves and this has been reinforced by negative experiences at school. Our ethos is to inspire and raise these expectations and channel this into high achievement.

Respect – Good behaviour and high achievement starts with mutual respect. Our learners should be treated like young adults and staff expect the same respect. Respect leads to trusting relationships which in turn improve pupil behaviour and achievement.

Individual Learning – No two young people are the same. Challenging behaviour often manifests itself when an assignment is pitched at the wrong level. High levels of differentiation in teaching allow each young person to progress at a pace that is suitable for them. Teaching is inspirational and enjoyable.

Public benefit

The academy trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

In setting objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic Report

Achievements and performance

The Academy has established a robust teacher training programme, which is turning skilled professionals into skilled teachers in a very short space of time. It has modelled a system that suits its future growth targets, and defines its offer more clearly. The expectations of the teachers have been raised in line with our more academic focus for the young people.

Personal Development – Our school aims to not only improve educational attainment, but to develop young people's life skills and to have an understanding of the world in which they live. Challenging a young person's misconceptions of their immediate society is as important as basic skills achievement.

These key principles can be measured through the following outcomes:

- Improved sense of direction and self, including changes in self-esteem, confidence, motivation and health awareness;
- School attendance; - overall attendance is 78.1% (2023-2024) an improvement of 10% from 2022-2023 (68%) and punctuality is 73% (2023-2024). The punctuality is hard to compare due to the context of SSA's geographical intake, which has spread over the two counties. Further to this, progress of attendance is considered to be more important than the overall percentage;
- Reductions in disruptive and/or violent behaviours and exclusions, suspensions, or referrals;
- Academic attainment and increase in numbers of learners receiving awards for their performance – see tables on page 7 and page 8 of this report for results;
- Positive progression routes and reductions in those not in Employment, Education or Training;
- Improvement in developing and sustaining relationships (with family, project staff, and peers) including changes in the ability to communicate, cope with authority, and work with others.

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Trustees' report for the Year Ended 31 August 2024 (continued)

Table 1 shows that there is an improvement from last year in terms of the number of qualifications as 73% of students achieved 10+ qualifications including Maths and English (51% improvement from last year). Also improvement of grade 4 and above in Maths and English.

Analysis of Year 11 Outcomes	2023-2024		
	Number	%	Difference from 22-23 (%)
Number of Year 11 Students	33	100	
% of students who achieved Grade 4 or above in GCSEs or equivalent in 5 or more subjects incl English & Maths	1	3.0	-3.0
% of students who achieved Grade 4 or above in both GCSE English and Maths	-1	3.0	0.0
% 5 or more GCSEs or equivalents at level 2	1	3.0	-3.3
% 1 GCSE 4-9 or Equivalent (level 2)	25	75.8	15.2
% of students who achieved accreditation at any level	33	100	0.0
% of students who achieved a GCSE in English and Maths at any grade	29	87.9	0.0
% of Students who achieved a Grade 4 or above in GCSE English	1	3.0	-3.9
% of Students who achieved a Grade 4 or above in GCSE Maths	2	6.1	-7.7
% of students who achieved a level 1 or above in English and Maths	33	100	3.0
% of students who achieved 10 + qualifications including English and Maths at any level	25	75.8	3.0
% of students who achieved 9 qualifications including English and Maths at any level	29	87.9	3.0
% of students who achieved 8+ qualifications including English and Maths at any level	31	93.9	3.3
% of students who achieved 7+ qualifications including English and Maths at any level	33	100	6.1
% of students who achieved 6+ qualifications including English and Maths at any level	33	100	3.0
% of students who achieved 5+ qualifications including English and Maths at any level	33	100	3.0
% of students who achieved 4+ qualifications including English and Maths at any level	33	100	3.0
% of students who achieved 3+ qualifications including English and Maths at any level	33	100	3.0
% of students who achieved 2+ qualifications including English and Maths at any level	33	100	3.0
% of students who achieved 1+ qualifications including English and Maths at any level	33	100	3.0
% of students who achieved a pass in any qualification	33	100	3.0
% of students achieving the EBACC	0	0	0.0
% of students staying in education, work or training	30	90.9	-6.0

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Trustees' report for the Year Ended 31 August 2024 (continued)

Table 2 shows that all students exceeded their required progress in Maths and English apart from one student in English.

Analysis of progress in English and Maths against BKSB on Entry	2023-2024 Progress				Difference from 2022-2023	
	ENG- No	ENG - %	MA – No	MA - %	ENG %	MA %
% No progress made	0	0.0	0	0.0	-3.0	0.0
% Expected progress	33	100	33	100	+3.0	0.0
% Above expected progress	33	100	33	100	+3.0	0.0
% Expected and above expected progress	33	100	33	100	+3.0	0.0

Key financial performance indicators

The Academy's main financial key performance indicators are levels of cash at bank, income, and percentage of income/expenditure on staff costs. These are reviewed by management and Trustees as part of the monthly management accounting process.

This year cash at bank has decreased from £2,790,951 to £1,216,581 following the purchase of a new property. Total income amounted to £3,003,395 (2023 - £2,629,342) and staff costs represented 54.8% of this (2023 - 58.2%).

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

In 2023/24 31% (2022/23 - 35%) of the Academy's income was obtained from ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2024 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Total income amounted to £3,003,395 (2023 - £2,629,342) and total expenditure amounted to £2,550,614 (2023 - £2,276,523).

Overall net assets have increased during the year to £4,347,468 at 31 August 2023 (compared to £3,946,131 at 31 August 2023). The main movements in this financial position are:

- an increase in tangible fixed assets of £1,923,355, due to the purchase and improvements to Pilcher Gate;
- an increase in debtor balances of £63,940;
- a decrease in cash balances of £1,574,370, due to the purchase and improvements to Pilcher Gate.

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Trustees' report for the Year Ended 31 August 2024 (continued)

Reserves policy

The Academy aims to carry forward a prudent level of resources from the General Annual Grant, the General Non-GAG Restricted Fund and the General Unrestricted Fund to cover the medium and long term needs for renewal and replacement. The amount to be carried forward is subject to the current restrictions operated by the Department for Education. At the end of the period under review the balances held in these funds amounted to £1,243,687 (2023 - £2,765,705).

The Trustees review the level of reserves annually and have agreed that the appropriate level of reserves is to aim for 6 months operating reserves. This level will provide sufficient liquid funds to cover committed expenditure, including employee costs, for six months.

In order to align with our charitable objectives, the Trustees have authorised that reserves, where appropriate above the level of six-month running costs, will be used to develop our existing sites and to also seek out further development possibilities. Where this is the case, the Trustees will seek appropriate approval via the ESFA and the DfE.

Investment policy

It is the intention to invest any surplus funds in low risk short term bank deposits.

Principal risks and uncertainties

The Trustees consider that the principal risks and uncertainties facing the Academy are:

- Other organisations competing for the same sources of income;
- Meeting requisite standards of education for students in core subjects;
- Complying with legislative requirements regarding employment, law, data protection, discrimination, Companies House and HMRC, child protection, the Charity Commission and the National Curriculum;
- Financial risk – not operating within its budget and running a deficit, changes in funding, inappropriate or insufficient financial controls and systems, fraudulent activity and/or financial commitments made without adequate authorisation;
- Operational risks resulting from inexperienced or inappropriate staff being employed and inaccurate, out of date or inappropriate information;
- Premises becoming unsuitable to safely operate from and within.

The key controls used by the academy include:

- Ensure high quality partnerships with referring schools;
- Detailed terms of reference for all committees;
- Formal agendas for the academy board and committees;
- Schemes of delegation and formal financial regulations;
- Formal written policies with periodic reviews;
- Clear authorisation and approval levels;
- Policies and procedures required by law to protect the vulnerable;
- Adhere to risk management policy and risk register that outlines strategic and reputation risk across the academy;
- Health and Safety log in place for the academy;
- Maintenance programme in place.

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Trustees' report for the Year Ended 31 August 2024 (continued)

The Trustees are responsible for the management of risks to which the Academy is exposed, and have undertaken a review of risks associated with its activities. The key controls used by the Academy include:

- Introduction of internal scrutiny processes via an independent internal auditor;
- Formal agendas for Trustee meetings;
- Detailed terms of reference for all committees;
- A clear School Improvement Plan identifying key strategic planning objectives and the resources required to achieve them;
- Comprehensive 3 year budget planning, monitoring and review;
- Clear financial delegation levels;
- Formal written policies reviewed on a regular basis;
- Clear safeguarding and vetting procedures as required by law to protect children and young people;
- Rigorous review of educational achievement to ensure continuing high standards;
- Comprehensive planning and review of admissions processes;
- A clear succession planning policy.

The Board of Trustees have reviewed the major risks, focusing on operational, financial, governance, compliance and reputational risk, and have taken steps to mitigate likely risks and to ensure regular monitoring of the primary areas of potential risk.

The Board of Trustees is satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised, however, that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The Academy has a Financial Procedures Policy that has been adopted by the Trustees. Resources are used to maintain efficient staffing levels, ensure the continuing effectiveness of the organisation and a good state of repair of the site and buildings.

The Academy's risk management processes aim to minimise all risk to the Academy. The only current risk of any materiality relates to the potential deficit the Academy holds in the Local Government Pension Scheme. However, due to the current market conditions, at 31 August 2024 the actuarial valuation has resulted in a surplus position which has not been recognised within these financial statements.

Fundraising

Stone Soup Academy took part in fundraising activities during 2023/2024 which proved both enjoyable and beneficial for the Academy and made significant changes to the lives of our students and made valuable connections to stakeholders.

All contributions are voluntary and the academy works hard to ensure that parents and carers, especially vulnerable people are not subject to unreasonably intrusive or persistent fundraising approaches or are put under any pressure to donate.

No complaints or issues were raised about the fundraising undertaken by Stone Soup Academy during this financial year.

All money raised is either used for school resources or distributed to outside charities.

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

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Trustees' report for the Year Ended 31 August 2024 (continued)

Plans for future periods

The Academy will continue to work to maintain the performance of its students at all levels. Additionally, it will continue its efforts to improve the achievements of its students, not only in academic subjects but also in the development of cultural capital and in essential life skills, so as to increase the number of opportunities open to its students when they move on to further education and ultimately employment. A key aim of the Academy is to develop innovative approaches to education for the young people it works with. The Academy will be exploring research and development activities it can undertake in order to improve and advance its approach.

The Academy has exchanged and completed the purchase of an additional building at 33 Pilcher Gate, Nottingham. We became operational on this site in April 2024. This purchase was completed to enable the Academy to develop the provision of high quality Key Stage 3 and 4 provision.

Our focus for 2024-2025 will be the expansion of the academy into post 16 as we believe that to support our young people effectively the development of Stone Soup Academy post 16 is essential.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Marriott Gibbs Rees Wallis Limited as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the board of trustees on 12 December 2024 and signed on its behalf by:



.....
Dr T Byrom
Governor and trustee

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Governance statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Stone Soup Learns has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As trustees, we have reviewed and taken account of the guidance in DfE's Government Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the Executive Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Stone Soup Learns and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Dr T Byrom, Chair	3	4
K Henton, Executive Principal	4	4
R Elston	4	4
T Le Gallez (resigned 11 July 2024)	2	3
C Knee	3	4
R I Williams (resigned 3 October 2024)	0	4
N Best (resigned 26 November 2024)	3	4
B Mulholland (resigned 11 November 2024)	1	4

Coverage of the Board's work includes:

1. Strategic leadership - Ensuring clarity of vision, ethos and strategic direction;
2. Robust accountability - Holding executive leaders to account for the educational performance of the organisation and its pupils, and the effective and efficient performance management of staff; and
3. Value for money - Overseeing the financial performance of the organisation and making sure its money is well spent.

The data used by the Board of Trustees in their work is considered to be robust and appropriate by the Trustees.

Conflicts of interest

The Academy has in place a Conflicts of Interest policy. Members, Trustees and senior leaders complete an annual declaration of interests form. All declarations of conflicts of interest are published on the Academy website.

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Governance statement (continued)

Governance reviews

During the prior year an external review of governance has been undertaken through the local authority on the impact and effectiveness of the Board of Trustees. It was found that the Board has a clear vision of which all Trustees are aware. Trustees recognise the need to focus on the key strategic priorities for furthering the Academy's success and the skills and knowledge of the Board are used to excellent effect.

The committee structure was found to be effective but committees have been renamed to further facilitate focus and compliance in the areas the Board has prioritised for oversight. Additionally, the roles of the Chair and the Vice Chair are to be further developed.

The Academy intends to conduct its next external review of governance in 2024/25.

The Board of Trustees met less than 6 times during the year. They have maintained effective oversight of funds by scrutinising monthly management accounts and reviewing findings from internal scrutiny.

The Finance, Audit and Risk Committee is a sub-committee of the main board of trustees. Its purpose is to provide oversight and control over the financial performance, direction and strategy of the Academy.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Dr T Byrom, Chair	4	5
R Elston	5	5
K Henton, Executive Principal	5	5
C Knee	4	5
N Best (resigned 26 November 2024)	4	5

Mrs S Murphy, Head of Business and Operations for the Academy also attends the Finance, Audit and Risk Committee (FAR) meetings. Mrs S Murphy was appointed to attend as a full member of this committee on 20 May 2015.

The Quality of Education, Personal Development, Behaviour, Welfare & Safeguarding (QoE) is also a sub-committee of the main board of trustees. Its purpose is to

- consider and approve new teacher appointments, remuneration for new and existing teachers, and the staffing needs of the growing Academy; and
- challenge the progress of the academy across quality of education, PDBW and safeguarding.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Dr T Byrom, Chair	2	2
K Henton, Executive Principal	2	2
B Mulholland (resigned 11 November 2024)	2	2
T Le Gallez (resigned 11 July 2024)	0	2
R I Williams (resigned 3 October 2024)	1	2

The Academy's governance overall has improved, and its sub-committees have become more embedded with a greater involvement from the Academy's key personnel. Key performance data on the school is presented by the senior executives at the Quality of Education, Personal Development, Behaviour, Welfare & Safeguarding and Finance, Audit and Risk Committee (FAR), and monthly management accounts are produced by the Academy's independent accountants and circulated to the full Board of Trustees.

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Governance statement (continued)

The Trustees are encouraged to visit the Academy and to play an active role within their areas of responsibility. This has been evident this year across SEND, Safeguarding and Careers. The Chair of Trustees meets regularly with the Executive Principal and uses this as an opportunity to provide support and challenge and also to review the SCR and other documents and maintain positive communication with the Academy.

The sub-committees feedback their activity to the full Board of Trustees at its regular meetings. This structure creates multiple independent viewpoints of the Academy's performance data allowing for detailed scrutiny at the sub-committee level and high-level review by the Board of Trustees.

The Executive Principal provides comprehensive reports for each FGB within which Quality of Education, PDBW, Leadership and Management, SEND and wellbeing are comprehensively covered with supporting data and tracking. This is alongside reports from staff from all areas of the curriculum.

All independent external reviews of the Academy are shared in full with the Trustees, along with actions.

The academy magazine which also charts activities across the Academy is shared 3 times a year with Trustees so that they are fully aware of the progress of the Academy.

Stone Soup Academy continues to review the Academy's governance and Trustee recruitment.

Review of value for money

As accounting officer, the Executive Principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by ending contracts with suppliers deemed ineffective after a period of audit and analysis with the Business Manager. Effective methods were brought online to allow more effective purchasing whilst still complying with our procurement policy and responsibilities. We continue to reduce insurance costs by 90% by entering into the RPA.

Stone Soup Academy has a second site at Milbie House, 33 Pilcher Gate, Nottingham NG1 1QE where we have secured the cheapest option in gas and electricity. The Academy continues to look for cost effective options for gas and electricity for both sites. The academy uses its funding to ensure that the Trust's estate is safe, well maintained and complies with all necessary regulations.

Stone Soup Academy is committed to delivering value for money as an integral part of our academic strategy. Under the Terms of its Funding Agreement, the School is required to achieve the best value for money for all supplies and services purchased on its behalf. There is a requirement to obtain correct quality, quantity and time at the best possible price. To ensure the integrity of the public funds being used to purchase these supplies and services the following general principles shall be observed:

- Renegotiating contracts in a timely manner to ensure the best mix of quality and cost effectiveness. Major purchases and contracts are always tendered;
- To integrate Value for Money principles within the Academy's existing management, planning, review and decision-making processes, particularly regarding projects or activities with significant financial implications;
- To adopt recognised good practice where appropriate by exploring various purchasing options, both online and direct through suppliers to find the best value;
- To benchmark the Academy's activities against other similar activities and organisations where this is considered useful;
- Challenge proposals/quotations examining them for effectiveness, efficiency and cost;

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Governance statement (continued)

- To ensure that all staff recognise their continuing obligation to seek Value for Money as part of their routine activities;
- Working with other schools/academies to share knowledge about experience of best value together with quality of service and reliability.

Probity: Accountability: Fairness:

It must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the Academy. The Academy is publicly accountable for its expenditure and the conduct of its affairs. The Board should ensure that those dealt with by the Academy are treated on a fair and equitable basis. Additionally, in line with the Academy's Environmental responsibilities/policy, purchasing of goods and services shall also take into account where practicable:

1. Sustainability of source (e.g. unbleached/recycled paper, reclaimed wood);
2. Locality of the source (e.g. locally grown food/produce, reducing air miles/carbon footprint);
3. Waste generated (e.g. excessive packaging, recyclable or returnable packaging or product).

Compliance with UK Procurement Rules and Regulations

The Academy has in place their own procurement policy and shall observe this and the current procurement rules and thresholds in the Public Contract Regulations 2015 and Find a Tender Service. The Board understands that failure to comply with this legislation carries penalties for which the Academy shall be held accountable.

Tender consideration

The following shall be taken into consideration when selecting a suitable tender:

- Financial considerations – The overall price and the individual items or services which make up that price.
- Like for like must be considered at all times. If in the event of a lower price this means a reduced service or lower quality, this must be borne in mind when reaching a decision.
- Care will be taken to ensure that the tender price is the total price and that there are no hidden or extra costs.
- Where there is scope for negotiation this should be considered, whilst being fair to all tenderers.

Technical/Suitability

- Qualifications of the contractor.
- Relevant experience of the contractor.
- Descriptions of technical and service facilities.
- Certificates of quality/conformity with standards.
- Quality control procedures.
- Certificates of quantity.
- Details of previous sales and references from past customers (ideally other Schools/Academies).
- For significant capitalised building works, a six months/one year (depending on size of project) defects period is in place for snagging.
- Withholding of a percentage of the total payment until a project is 'signed over'.

Other considerations

- Written reference from other schools/academies.
- Pre-sales demonstrations.
- After Sales service.

Stone Soup Learns

Governance statement (continued)

- Charges for servicing in future years.
- Proximity/physical location to the school.
- Financial status of the supplier.
- Previous satisfactory experience of the supplier.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Stone Soup Learns for the year ended 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk management process is led by the Board of Trustees, with direction from the Accounting Officer as required.

Academy staff are trained and equipped to manage risk in a way appropriate to their authorities and duties.

Guidance is provided to them by the Accounting Officer and by other senior managers.

The risk and control framework

The academy trust's system of internal control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance, Audit and Risk Committee of reports, which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.
- delegation of authority and segregation of duties
- comprehensive five-year budget plans presented to and agreed by the Board of Trustees
- where a purchase is deemed to be contentious, even if it falls within the delegated responsibility of the Accounting Officer, it will be discussed and unpicked by the Finance, Audit and Risk Committee prior to approval.

The board of trustees has decided:

- to employ JF Business Services as internal auditor

Stone Soup Learns

Governance statement (continued)

The Board of Trustees considered the need for a specific internal audit function and appointed JF Business Services as internal auditor in 2021. The Board are satisfied that they have access to information on the operation of the systems of control and on the discharge of the Board's financial responsibilities, but see the benefit of appointing an internal auditor, and obtaining specialist internal auditor services from a third-party provider, on a periodic basis.

The role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular the checks carried out in the current period included:

- Governance
- Budget planning and monitoring
- Procurement
- Risk management
- Payroll
- Fixed assets
- Cash control
- Benchmarking

The internal auditor reports to the Board of Trustees three times a year through the Finance, Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their schedule of work as planned.

Stone Soup Academy Internal Audit Schedule 2023-2024:

Autumn term

- Last Internal Audit
- Governance
- Budget Planning and Monitoring
- Procurement

Spring Term

- Review of recommendations/comments from previous check
- External Audit
- Risk Management
- Payroll
- Assets

Summer Term

- Review of recommendations/comments from previous check
- Cash Control
- Income
- Catering
- Benchmarking

There were no material control or other issues reported by the Internal Auditor to date.

Stone Soup Learns

Governance statement (continued)

Review of effectiveness

As accounting officer, the Executive Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor;
- correspondence from ESFA.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the Academy has adequate and effective framework for governance, risk management and control.



.....
Dr T Byrom
Governor and trustees



.....
K Henton
Accounting officer
Governor and trustee


Stone Soup Learns

Statement of regularity, propriety and compliance

As accounting officer of Stone Soup Learns I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2023.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.



.....
K Henton, Governor and trustee
Accounting officer

12 December 2024

Stone Soup Learns

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board on 12 December 2024 and signed on its behalf by:



.....
Dr T Byrom
Governor and trustee

Stone Soup Learns

Independent Auditor's Report on the Financial Statements to the Members of Stone Soup Learns

Opinion

We have audited the financial statements of Stone Soup Learns (the 'Academy') for the year ended 31 August 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2023 to 2024.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information (covers the Reference and administrative details, the Trustees' report and Strategic Report and the Governance statement)

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Stone Soup Learns

Independent Auditor's Report on the Financial Statements to the Members of Stone Soup Learns (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 19], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditor Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Stone Soup Learns

Independent Auditor's Report on the Financial Statements to the Members of Stone Soup Learns (continued)

Based on our understanding of the Academy Trust and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024.

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit;
- Enquiring with management and trustees concerning any actual or potential litigation or claims;
- Inspecting correspondence with regulators and legal advisors;
- Reviewing minutes of trustees meetings; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud;
- Addressing the risks of fraud through management override of controls by reviewing transactions around the end of the reporting period and by testing the appropriateness of journals and other adjustments;
- Performing analytical procedures to identify unexpected changes or movements to account balances which may be indicative fraud;
- Assessing whether the judgements made in making accounting estimates are indicative of any potential bias; and
- Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, misrepresentations, forgery, intentional omissions, collusion, or the override of internal controls.

The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.


A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Stone Soup Learns

Independent Auditor's Report on the Financial Statements to the Members of Stone Soup Learns (continued)

Use of our report

This report is made solely to the Academy's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its Members, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Mrs Tina Dawn Havenhand FCCA (Senior Statutory Auditor)

For and on behalf of Marriott Gibbs Rees Wallis Limited, Statutory Auditor

Unit 4
Broadfield Court
Sheffield
S8 0XF

16 December 2024

Stone Soup Learns

Independent Reporting Accountant's Assurance Report on Regularity to Stone Soup Learns and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 9 July 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Stone Soup Learns during the period 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Stone Soup Learns and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Stone Soup Learns and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Stone Soup Learns and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the board of trustees' accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the board of trustees' funding agreement with the Secretary of State for Education dated and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- The assessment and evaluation of relevant control procedures adopted by the Academy Trust;
- Assessing the risk of material irregularity; and
- Undertaking limited testing of income and expenditure, including identifying and testing funding agreements in place.

Stone Soup Learns

Independent Reporting Accountant's Assurance Report on Regularity to Stone Soup Learns and the Education and Skills Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Marriott Gibbs Rees Wallis Limited

.....
Marriott Gibbs Rees Wallis Limited
Chartered Certified Accountants

Unit 4
Broadfield Court
Sheffield
S8 0XF

16 December 2024

Stone Soup Learns

Statement of Financial Activities for the Year Ended 31 August 2024 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2024/23 Total £
Income and endowments from:					
Donations and capital grants	2	12,000	-	27,878	39,878
Investments	4	170	-	-	170
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	<u>1,806,425</u>	<u>1,156,922</u>	<u>-</u>	<u>2,963,347</u>
Total		1,818,595	1,156,922	27,878	3,003,395
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	6	<u>1,622,706</u>	<u>836,154</u>	<u>91,754</u>	<u>2,550,614</u>
Net income/(expenditure)		195,889	320,768	(63,876)	452,781
Transfers between funds		(1,691,106)	(296,125)	1,987,231	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	21	<u>-</u>	<u>(51,444)</u>	<u>-</u>	<u>(51,444)</u>
Net movement in (deficit)/funds		(1,495,217)	(26,801)	1,923,355	401,337
Reconciliation of funds					
Total funds brought forward at 1 September 2023		<u>1,496,415</u>	<u>1,269,290</u>	<u>1,180,426</u>	<u>3,946,131</u>
Total funds carried forward at 31 August 2024		<u><u>1,198</u></u>	<u><u>1,242,489</u></u>	<u><u>3,103,781</u></u>	<u><u>4,347,468</u></u>

Stone Soup Learns

Statement of Financial Activities for the Year Ended 31 August 2023 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2023/22 Total £
Income and endowments from:					
Donations and capital grants	2	4,311	-	20,409	24,720
Investments	4	257	-	-	257
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	1,592,849	1,011,516	-	2,604,365
Total		1,597,417	1,011,516	20,409	2,629,342
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	6	1,513,737	701,635	61,151	2,276,523
Net income/(expenditure)		83,680	309,881	(40,742)	352,819
Transfers between funds		275	-	(275)	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	21	-	18,312	-	18,312
Losses on revaluation of fixed assets		-	-	(389,773)	(389,773)
Net movement in funds/(deficit)		83,955	328,193	(430,790)	(18,642)
Reconciliation of funds					
Total funds brought forward at 1 September 2022		1,412,460	941,097	1,611,216	3,964,773
Total funds carried forward at 31 August 2023		1,496,415	1,269,290	1,180,426	3,946,131

Stone Soup Learns

(Registration number: 07217174) Balance Sheet as at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	10	3,103,781	1,180,426
Current assets			
Debtors	11	154,704	90,764
Cash at bank and in hand		<u>1,216,581</u>	<u>2,790,951</u>
		1,371,285	2,881,715
Liabilities			
Creditors: Amounts falling due within one year		<u>(127,598)</u>	<u>(116,010)</u>
Net current assets		<u>1,243,687</u>	<u>2,765,705</u>
Total assets less current liabilities		<u>4,347,468</u>	<u>3,946,131</u>
Net assets excluding pension asset		<u>4,347,468</u>	<u>3,946,131</u>
Total net assets		<u>4,347,468</u>	<u>3,946,131</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund	13	1,242,489	1,269,290
Restricted fixed asset fund	13	<u>3,103,781</u>	<u>1,180,426</u>
		4,346,270	2,449,716
Unrestricted funds			
Unrestricted general fund	13	<u>1,198</u>	<u>1,496,415</u>
Total funds		<u>4,347,468</u>	<u>3,946,131</u>

The financial statements on pages 26 to 48 were approved by the Trustees, and authorised for issue on 12 December 2024 and signed on their behalf by:



.....
Dr T Byrom
Governor and trustee

Stone Soup Learns

Statement of Cash Flows for the year ended 31 August 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by operating activities	16	404,791	532,329
Cash flows from investing activities	17	<u>(1,979,161)</u>	<u>(500)</u>
Change in cash and cash equivalents in the year		(1,574,370)	531,829
Cash and cash equivalents at 1 September		<u>2,790,951</u>	<u>2,259,122</u>
Cash and cash equivalents at 31 August	18	<u><u>1,216,581</u></u>	<u><u>2,790,951</u></u>

Stone Soup Learns

Notes to the Financial Statements for the Year Ended 31 August 2024

1 Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty is set out below.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions, there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Referral income

Referral income is recognised in Statement of Financial Activities in the period in which the services are rendered and where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

1 Accounting policies (continued)

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items, they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

Donated fixed assets

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £250 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line/reducing balance basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Asset class	Depreciation method and rate
Freehold property	2% straight line
Property improvements	2% straight line
Plant and machinery	20% reducing balance
Furniture and equipment	20% reducing balance and 2% straight line

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

1 Accounting policies (continued)

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 11. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 12. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pension benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

1 Accounting policies (continued)

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds are resources, which are to be applied to specific capital purposes imposed by funders, where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact on the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted Funds £	Restricted Fixed Asset Funds £	2024/23 Total £	2023/22 Total £
Capital grants	-	27,878	27,878	20,409
Other donations	12,000	-	12,000	4,311
	<u>12,000</u>	<u>27,878</u>	<u>39,878</u>	<u>24,720</u>

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

3 Funding for the academy trust's charitable activities

	Unrestricted Funds £	Restricted General Funds £	2024/23 Total £	2023/22 Total £
Educational operations				
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	900,000	900,000	900,000
Other DfE/ESFA grants	-	-	-	9,751
	<u>-</u>	<u>900,000</u>	<u>900,000</u>	<u>909,751</u>
Other government grants				
Local authority grants	-	226,121	226,121	57,023
Non-government grants and other income				
Referral income	1,806,425	-	1,806,425	1,592,849
Other income	-	30,801	30,801	44,742
	<u>1,806,425</u>	<u>30,801</u>	<u>1,837,226</u>	<u>1,637,591</u>
Total grants	<u><u>1,806,425</u></u>	<u><u>1,156,922</u></u>	<u><u>2,963,347</u></u>	<u><u>2,604,365</u></u>

4 Investment income

	Unrestricted Funds £	2024/23 Total £	2023/22 Total £
Short term deposits	<u>170</u>	<u>170</u>	<u>257</u>

5 Expenditure

	Non Pay Expenditure			2024/23 Total £	2023/22 Total £
	Staff costs £	Premises £	Other costs £		
Academy trust's educational operations					
Direct costs	1,416,324	-	206,382	1,622,706	1,513,737
Allocated support costs	<u>229,894</u>	<u>381,438</u>	<u>316,576</u>	<u>927,908</u>	<u>762,786</u>
	<u><u>1,646,218</u></u>	<u><u>381,438</u></u>	<u><u>522,958</u></u>	<u><u>2,550,614</u></u>	<u><u>2,276,523</u></u>

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

5 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2024/23	2023/22
	£	£
Operating lease rentals	37,500	41,250
Depreciation	91,754	61,151
Fees payable to auditor - audit	4,350	8,195
- other non-audit services	2,450	1,045
Loss on disposal of tangible fixed assets	-	1,032
Total £	Individual items	
	Amount £	Reason/nature
Ex-gratia payments	3,462	3,462
		Compensation for loss of employment

The legal authority sought to make ex-gratia payments being delegated authority or approval from the Education and Skills Funding Agency, in accordance with the Academy Trust Handbook 2023.

6 Charitable activities

	2024/23	2023/22
	£	£
Direct costs - educational operations	1,622,706	1,513,737
Support costs - educational operations	927,908	762,786
	2,550,614	2,276,523

	Educational operations	2024/23	2023/22
	£	Total	Total
		£	£
Analysis of support costs			
Support staff costs	229,894	229,894	238,707
Depreciation	91,754	91,754	61,151
Technology costs	36,171	36,171	24,000
Premises costs	289,684	289,684	247,565
Other support costs	239,329	239,329	151,720
Governance costs	41,076	41,076	39,643
Total support costs	927,908	927,908	762,786

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

7 Staff

Staff costs and employee benefits

	2024/23 £	2023/22 £
Staff costs during the year were:		
Wages and salaries	1,304,846	1,139,002
Social security costs	133,324	110,417
Operating costs of defined benefit pension schemes	204,586	188,122
	1,642,756	1,437,541
Supply staff costs	-	91,831
Staff restructuring costs	3,462	-
	1,646,218	1,529,372
		2024/23 £
Staff restructuring costs comprise:		
Severance payments		3,462

Severance payments

The academy trust paid 1 severance payments in the year disclosed in the following bands:

	2024/23 £
0 - £25,000	1

Staff numbers

The average number of persons employed by the academy trust during the year was as follows:

	2024/23 No	2023/22 No
Teachers	11	12
Administration and support	24	20
Management	6	4
	41	36

Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs and employer national insurance contributions) exceeded £60,000 was:

	2024/23 No	2023/22 No
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
£100,001 - £110,000	1	-

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

7 Staff (continued)

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £511,785 (2023: £290,121).

8 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

K Henton (Principal):

Remuneration: £100,000 - £105,000 (2023 - £85,000 - £90,000)

Employer's pension contributions: £20,000 - £25,000 (2023 - £15,000 - £20,000)

During the year ended 31 August 2024, travel and subsistence expenses totalling £43 (2023 - £263) were reimbursed or paid directly to 1 trustees (2023 - 3).

Other related party transactions involving the trustees are set out in note 22.

9 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

10 Tangible fixed assets

	Freehold land and buildings £	Property improvements £	Furniture and equipment £	Plant and Machinery £	2024/23 Total £
Cost					
At 1 September 2023	1,225,775	62,187	351,903	49,080	1,688,945
Additions	1,691,106	121,263	202,740	-	2,015,109
At 31 August 2024	<u>2,916,881</u>	<u>183,450</u>	<u>554,643</u>	<u>49,080</u>	<u>3,704,054</u>
Depreciation					
At 1 September 2023	249,442	-	214,827	44,250	508,519
Charge for the year	45,876	2,013	42,899	966	91,754
At 31 August 2024	<u>295,318</u>	<u>2,013</u>	<u>257,726</u>	<u>45,216</u>	<u>600,273</u>
Net book value					
At 31 August 2024	<u>2,621,563</u>	<u>181,437</u>	<u>296,917</u>	<u>3,864</u>	<u>3,103,781</u>
At 31 August 2023	<u>976,333</u>	<u>62,187</u>	<u>137,076</u>	<u>4,830</u>	<u>1,180,426</u>

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

10 Tangible fixed assets (continued)

Included in freehold land and buildings is land of £200,000 (2023 - £200,000) that is not depreciated.

Land and buildings are secured by a mortgage to the Secretary of State for Education.

The academy trust's transactions relating to land and buildings included:

- the acquisition of the freehold on 33 Pilcher Gate, Nottingham which was purchased by the academy trust at a value of £1,687,500

11 Debtors

	2024	2023
	£	£
Trade debtors	67,773	58,021
VAT recoverable	80,169	26,615
Prepayments	6,762	6,128
	<u>154,704</u>	<u>90,764</u>

12 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	36,946	10,122
Other taxation and social security	30,257	34,711
Other creditors	39,154	48,789
Accruals	21,241	22,388
	<u>127,598</u>	<u>116,010</u>

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

13 Funds

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2024 £
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	1,269,290	900,000	(630,676)	(296,125)	1,242,489
Other government grants	-	226,121	(226,121)	-	-
General funds	-	30,801	(30,801)	-	-
<i>Restricted fixed asset funds</i>					
DfE/ESFA capital grants	1,013,627	6,378	(28,278)	5,404	997,131
Capital expenditure from GAG	3,706	-	(17,755)	298,797	284,748
Capital expenditure from general funds	163,093	-	(43,929)	1,683,030	1,802,194
Connect the classroom	-	21,500	(1,792)	-	19,708
<i>Pension reserve funds</i>					
Defined benefit pension liability	-	-	51,444	(51,444)	-
Total restricted funds	<u>2,449,716</u>	<u>1,184,800</u>	<u>(927,908)</u>	<u>1,639,662</u>	<u>4,346,270</u>
<i>Unrestricted general funds</i>					
Unrestricted general funds	<u>1,496,415</u>	<u>1,818,595</u>	<u>(1,622,706)</u>	<u>(1,691,106)</u>	<u>1,198</u>
Total unrestricted funds	<u>1,496,415</u>	<u>1,818,595</u>	<u>(1,622,706)</u>	<u>(1,691,106)</u>	<u>1,198</u>
Total funds	<u>3,946,131</u>	<u>3,003,395</u>	<u>(2,550,614)</u>	<u>(51,444)</u>	<u>4,347,468</u>

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

13 Funds (continued)

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	957,997	900,000	(588,707)	-	1,269,290
Other DfE/ESFA grants	-	9,751	(9,751)	-	-
Other government grants	-	57,023	(57,023)	-	-
General funds	-	44,742	(44,742)	-	-
<i>Restricted fixed asset funds</i>					
DfE/ESFA capital grants	1,411,901	20,409	(28,910)	(389,773)	1,013,627
Capital expenditure from GAG	4,632	-	(926)	-	3,706
Capital expenditure from general funds	194,683	-	(31,315)	(275)	163,093
<i>Pension reserve funds</i>					
Defined benefit pension liability	(16,900)	-	(1,412)	18,312	-
Total restricted funds	<u>2,552,313</u>	<u>1,031,925</u>	<u>(762,786)</u>	<u>(371,736)</u>	<u>2,449,716</u>
<i>Unrestricted general funds</i>					
Unrestricted general funds	1,412,460	1,597,417	(1,513,737)	275	1,496,415
Total unrestricted funds	<u>1,412,460</u>	<u>1,597,417</u>	<u>(1,513,737)</u>	<u>275</u>	<u>1,496,415</u>
Total funds	<u>3,964,773</u>	<u>2,629,342</u>	<u>(2,276,523)</u>	<u>(371,461)</u>	<u>3,946,131</u>

The academy trust is not subject to GAG carried forward limits.

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

13 Funds (continued)

The specific purposes for which the funds are to be applied are as follows:

Restricted general funds:

General Annual Grant (GAG) - Income receivable from the Education and Skills Funding Agency to fund the educational operations and running costs of the Academy Trust.

Other DfE/ESFA grants - Other funding received including Teachers Pay and Pension grants.

Other government grants - Additional funding given to the Academy Trust from Local Authority.

General funds - Funds received by the Academy Trust to be spent on specific projects.

Restricted fixed asset funds:

DfE/ESFA capital grants - Funding provided for capital maintenance/items.

Connect the classroom - A government funded programme to improve internet speed in schools.

Restricted pension funds:

Defined benefit pension liability - The deficit on the local government pension scheme has been recognised against restricted funds in order to match it against GAG as recommended by the Accounts Direction published by the ESFA.

Unrestricted funds:

Funds available to spend for the general purposes of the Academy Trust.

Transfers:

£1,691,106 was transferred from the unrestricted general fund to the restricted fixed asset fund for the purchase of 33 Pilcher Gate.

£296,125 was transferred to the restricted fixed asset fund from the GAG fund to cover fixed assets purchased from GAG.

14 Analysis of net assets between funds

Fund balances at 31 August 2024 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	3,103,781	3,103,781
Current assets	43,214	1,320,171	7,900	1,371,285
Current liabilities	(42,016)	(77,682)	(7,900)	(127,598)
Total net assets	<u>1,198</u>	<u>1,242,489</u>	<u>3,103,781</u>	<u>4,347,468</u>

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

14 Analysis of net assets between funds (continued)

Comparative information in respect of the preceding period is as follows:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Intangible fixed assets	-	-	1,180,426	1,180,426
Current assets	1,496,415	1,385,300	-	2,881,715
Current liabilities	-	(116,010)	-	(116,010)
Total net assets	<u>1,496,415</u>	<u>1,269,290</u>	<u>1,180,426</u>	<u>3,946,131</u>

15 Long-term commitments, including operating leases

Operating leases

At 31 August 2024 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2024 £	2023 £
Amounts due within one year	-	45,000
Amounts due between one and five years	-	69,375
	<u>-</u>	<u>114,375</u>

16 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2024 £	2023 £
Net income	452,781	352,819
Depreciation	91,754	61,151
Capital grants from DfE and other capital income	(27,878)	(20,409)
Interest receivable	(170)	(257)
Defined benefit pension scheme cost less contributions payable	(47,657)	1,975
Defined benefit pension scheme finance cost	(3,787)	(563)
(Increase)/decrease in debtors	(63,940)	113,351
Increase in creditors	3,688	23,230
Loss on disposal of tangible fixed assets	-	1,032
Net cash provided by Operating Activities	<u>404,791</u>	<u>532,329</u>

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

17 Cash flows from investing activities

	2024 £	2023 £
Dividends, interest and rents from investments	170	257
Purchase of tangible fixed assets	(2,007,209)	(21,166)
Capital funding received from sponsors and others	<u>27,878</u>	<u>20,409</u>
Net cash used in investing activities	<u>(1,979,161)</u>	<u>(500)</u>

18 Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand and at bank	<u>1,216,581</u>	<u>2,790,951</u>
Total cash and cash equivalents	<u>1,216,581</u>	<u>2,790,951</u>

19 Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash	<u>2,790,951</u>	<u>(1,574,370)</u>	<u>1,216,581</u>

20 Member liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they ceased to be a member.

21 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by . Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS to the period ended 31 March 2022.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

21 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the period amounted to £156,764 (2023: £115,024).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local government pension schemes

Nottinghamshire Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £126,673 (2023 - £91,926), of which employer's contributions totalled £98,613 (2023 - £71,172) and employees' contributions totalled £28,060 (2023 - £20,754). The agreed contribution rates for future years are 21.8% for employers and variable according to salary for employees. The scheme is managed by Nottinghamshire County Council.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Principal actuarial assumptions

	2024	2023
	%	%
Rate of increase in salaries	3.80	3.90
Rate of increase for pensions in payment/inflation	3.00	3.15
Discount rate for scheme liabilities	5.15	5.25
Inflation assumptions (CPI)	<u>2.80</u>	<u>2.90</u>

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

21 Pension and similar obligations (continued)

The current mortality assumptions include sufficient allowance for future improvements in the mortality rates. The assumed life expectations on retirement age 65 are:

	2024	2023
Retiring today		
Males retiring today	20.40	20.40
Females retiring today	23.30	23.20
Retiring in 20 years		
Males retiring in 20 years	21.60	21.70
Females retiring in 20 years	24.70	24.60

Sensitivity analysis

	2024 £	2023 £
Discount rate +0.1%	(17,907)	(14,520)
Discount rate -0.1%	18,653	15,124
Mortality assumption – 1 year increase	12,671	10,293
Mortality assumption – 1 year decrease	(12,369)	(10,048)
CPI rate +0.1%	19,069	-
CPI rate -0.1%	(18,325)	-

The academy trust's share of the assets in the scheme were:

	2024 £	2023 £
Equities	372,986	261,925
Gilts	14,769	8,721
Corporate bonds	30,597	24,749
Property	65,566	51,921
Cash and other liquid assets	37,133	27,256
Other	95,714	71,113
Total market value of assets	616,765	445,685

The actual return on scheme assets was £44,624 (2023 - £363).

Amounts recognised in the statement of financial activities

	2024/23 £	2023/22 £
Current service cost	50,739	73,147
Interest income	(26,681)	(769)
Interest cost	22,894	-
Admin expenses	217	206
Total amount recognized in the SOFA	47,169	72,584

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

21 Pension and similar obligations (continued)

Changes in the present value of defined benefit obligations were as follows:

	2024/23	2023/22
	£	£
At start of period	422,232	430,697
Current service cost	50,739	73,147
Interest cost	22,894	18,521
Employee contributions	28,060	20,754
Actuarial (gain)/loss	<u>(3,628)</u>	<u>(120,887)</u>
At 31 August	<u>520,297</u>	<u>422,232</u>

Changes in the fair value of academy's share of scheme assets:

	2024/23	2023/22
	£	£
At start of period	445,685	413,797
Interest income	26,681	19,290
Actuarial gain/(loss)	17,943	(79,122)
Employer contributions	98,613	71,172
Employee contributions	28,060	20,754
Effect of non-routine settlements	<u>(217)</u>	<u>(206)</u>
At 31 August	<u>616,765</u>	<u>445,685</u>

Pension assets amounting to £96,468 (2023 - £23,453) have not been accounted for in the financial statements as they do not meet the recognition criteria under FRS 102.

22 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

Expenditure related party transactions

During the year the academy made the following related party transactions:

The House Project Limited

(Chris Manze, a Member is a director)

During the year the academy paid rent to The House Project Limited for a school building amounting to £37,500 (2023 - £41,250).

The element above £2,500 has been provided 'at no more than cost' and The House Project Limited has provided a statement of assurance confirming this.

At the balance sheet date the amount due to The House Project Limited was £Nil (2023 - £Nil).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

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Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

22 Related party transactions (continued)

Income related party transactions

During the year the academy made the following related party transactions:

Greenwood Academies Trust

During the period up to the resignation of C Knee from Greenwood Academies Trust (14 November 2023), the academy raised sales invoices totalling £28,129 (2023 - £157,817) to schools within Greenwood Academies Trust.

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.